

# EDITORIALS

## The Welcome Return of Enlightened Capitalism

We're heartened to see the return of enlightened capitalism to the Downtown area. Charitable giving from the corporate sector is no longer what it used to be, but its new form is a welcome and responsible step in a changing Downtown.

In the 1970s and 1980s, when Downtown was home to many huge corporations, local charities and service providers could depend on consistent donations from the business community. The big dogs of the time had a running competition, friendly, of course, to see who could be the leading local hero. Among the players were Arco, Chevron, First Interstate Bank, Unocal, Bank of America, Security Pacific and Wells Fargo, to name a few.

Only the most cynical among us cared much if the givers got some publicity out of their efforts. The need for donations and good corporate citizenship was simply too great. Arco, eventually absorbed by BP, was always the top dog, raising the bar again and again, and it did what it did with class.

Arco's corporate citizenship is legendary. Not only did the company give for the purpose of public relations, as savvy businesses do, it also gave quietly from time to time, vigorously eschewing publicity. For years it funded a van to carry senior citizens to their doctors' appointments, for instance, without ever trying for a drop of ink and refusing it when offered.

The economy no longer supports corporate giving the way Arco did it. As times changed and those large corporations merged, collapsed or moved their headquarters out of town, there was a painful dearth of giving. Few individuals and businesses could afford to be generous. Civic-minded Downtown employees still volunteered their time and whatever money they could. Some of the much smaller businesses stayed in-

involved as well, but the big dogs were gone. Many deserving organizations suffered.

Now, a new animal is emerging on the good corporate citizenship front. Several recent community efforts have

---

*Hopefully the new generation of Downtown businesses will continue to make people happy, and make sense out of giving generously.*

---

deserved some serious ink, no matter that the businesses involved get a benefit in return for their efforts. The point here is that they make the efforts at all. We think of what they do as "enlightened capitalism." Not only do we approve, we hope legions of others follow in their footsteps.

These days it's the small- and medium-sized businesses that are the best hope for the future. Also interesting is that some of the new Downtown players are stepping up.

A few months ago Portland, Ore.-based South Group, which is developing thousands of housing units in South Park, gave \$8 million to the YWCA for its Job Corps development. It's a whopping amount from a company the size of South Group, which has real presence but is not an Arco. And two weeks ago the Shammass Group, which owns a series of car dealerships,

partnered with Habitat for Humanity and Cars for Homes to give a family a house, commemorating the opening of their dramatically designed new 100,000-square-foot Audi dealership.

Not only did South Group become a local hero by helping the ambitious YWCA project, it received low-income tax credits for its \$8 million. We think the tax credits are well deserved and that whoever came up with the idea merits high praise. It was both good planning and a leap of faith to make the donation. Everyone wins in that deal.

In the latter instance, Habitat for Humanity made a very smart link with the Audi dealership. It turns out that the demographics of people who support Habitat match exactly the demographics of people who buy Audis. Again, a marriage made in heaven. It surely sounded like heaven to Maria Reyes, the wife and mother in the family that will move into the refurbished Habitat house. Her ecstasy at the prospect of moving from a one-bedroom, one-bath apartment she shares with her husband, son and daughter to a three-bedroom, two-bath home on 21st Street was infectious to all who heard her pour her heart out at the Audi opening. There is no way to think the link between Habitat and Audi is anything but good, unless you think it is great, which we do.

Good corporate citizenship — aka enlightened capitalism — has returned to Downtown Los Angeles, and it is creating new local heroes. Hopefully the new generation of Downtown businesses will continue to make people happy, and make sense out of giving generously.

**LOS ANGELES  
DOWNTOWN NEWS**